non-repartiable loans from NRI relatives for personal purposes and for business activities. Interest-free-repartiable loans upto US $ 2.5 lakh with a maturity of seven years shall be cleared by the Reserve Bank automatically. Other cases shall continue to be cleared on a case to case basis by the Reserve Bank.

(c) The Reserve Bank will permit transfer of funds from one non-resident (external) (NRE) account to the NRE account of another person for any purpose.

(d) NRIs/OCBs shall be permitted to establish schools and colleges on the same terms and conditions as a resident individual/corporate body.

(e) The existing 40 percent scheme will be abolished. In Non-Annexure-III industries, investments by NRIs/OCBs up to 51 per cent in companies other than listed companies will be allowed on repatriation basis.

(f) The condition regarding 60 per cent turnover from eligible activities for the investment to be eligible under the old 40 per cent and the proposed 51 per cent scheme will be waived.

(g) NRI participation in venture capital activity will be permitted on the same terms and conditions as foreign investment in this area.

(h) The Housing Development Finance Corporation (HDFC) and other housing finance institutions will be prmitted to grant loans to NRIs for acquisition/ improvement to the existing houses on the terms and conditions as applicable to residents.

(i) All information relating to NRI foreign investment shall be put on the Internet.

Periodic Review of Functioning of Directorate of Enforcement

2660. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government conduct a periodic review of the functioning of the Directorate of Enforcement;

(b) if so, the findings of such a review;

(c) how Government propose to implement FERA keeping the civil rights of the people in forces; and

(d) the full details of steps taken in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) A 'Review Group' was set up in 1993 to review the functioning of the Enforcement Directorate. The Group has submitted its report interalia recommanding merger of units having insufficient work-load, upgradation of some posts and amendment of recruitment rules etc.

(c) and (d) While implementing the provisions of Foreign Exchange Regulation Act, action in regard to search, seizure and arrest has to be done in conformity with the provisions of the Foreign Exchange Regulation Act.

Assessment of Test Audit by Income Tax Department

2661. DR. JAGANNATH MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the test audit conducted between 1st April, 1994 to 31st March, 1995 of the assessment completed by Income-tax Department revealed 10,256 cases of under assessment involving a total revenue of Rs. 855.38 crores;

(b) whether the said amount has since been recovered from the assessee and if not, the reasons therefor; and

(c) what action has been taken against the assessment officers who had cleared those cases?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) Yes, Sir. These findings are reported in the Annual Report No. 5 of 1996 of C&AG on Revenue Receipts Direct Taxes for the year ended 31.3.1995.

(b) The amount of recovery made out of this amount of Rs. 855.38 crores is not ascertainable on account of the following reasons:—

(i) Many audit objections are resisted by the Income-tax Department on the basis of factual verification and the existing provisions of the Income-tax Act, 1961 and the same are finally dropped by the revenue audit.

(ii) A number of assessees file appeals against the orders rectifying the mistakes, creating additional tax demand. During the pendency of first appeal, co-ercive measures of recovery are generally not adopted.

(iii) The additional demand raised on account of these audit objections is sometimes stayed by the assessing officers, supervisory officers and appeallate authorities.

(iv) In many cases, as a result of appellate orders, the additional demand raised is reduced or deleted.

(c) In most of these cases, the explanation of the erring officer is called by the Department to examine their bonafides and appropriate action is taken wherever required.

Introduction of vaccines to Combat Leprosy

2662. SHRI RAHASBIHARI BARIK: Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether some vaccines are introduced to combat leprosy; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI SALEEM IQBAL SHERVANI): (a) No, Sir.

(b) Does not arise.

Daily Despatch Lists for Exports and Import List for Imports

2663. SHRI CHIMANBHAI HARIBHAI SHUKLA: Will the Minister of FINANCE be pleased to state:

(a) the basis on which the Customs publish the daily despatch list for export and daily import lists for Imports;

(b) whether there is any other sister agency apart from Director General of Commercial Intelligence and Statistics which officially and authentically compiles these details as a routine or on specitic request; and

(c) if so, the name and details of such agency?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) the daily list of imports and exports is published by all the major Customs Houses, based on the data fed into their computer systems concerning the import and export clearances effected through the respective Ports/Air Cargo Complexes under their jurisdiction.

(b) and (c) No, Sir.

Proposal for reducing Cess on Spices

2664. SHRI JOY NADUKKARA: Will the Minister of FINANCE be pleased to state:

(a) whether a proposal for reducing the export cess of spices is pending;

(b) whether pending decision on that proposal, export of cardamom, pepper etc. were exempted from payment of cess from 1992 onwards with periodical extention utpo 31st March, 1996;

(c) whether there was delay to extend the exemption beyond 31st March, 1996